

Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 EAE-00 CIAE-00 DODE-00 NSAE-00

NSCE-00 SSO-00 USIE-00 INRE-00 PM-04 H-02 INR-07 L-03

NSC-05 PA-01 PRS-01 SP-02 SS-15 EB-07 COME-00 SEC-01

JUSE-00 TRSE-00 OMB-01 /071 W
----- 042879

O R 281000Z JUL 76

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC IMMEDIATE 1176

INFO AMEMBASSY MANILA

AMEMBASSY ROME

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

AMEMBASSY THE HAGUE

AMCONSUL HONG KONG

USLO PEKING

CINCPAC HONOLULU HAWAII

COMUSJAPAN YOKOTA AB JAPAN

C O N F I D E N T I A L SECTION 1 OF 2 TOKYO 11364

CINCPAC FOR POLAD

E. O. 11652: GDS

TAGS: PINT, JA

SUBJ: REACTION TO TANAKA'S ARREST

REF: TOKYO 11249

SUMMARY: UNIVERSAL SURPRISE AT THE ARREST OF EX-PRIME MINISTER
TANAKA WAS FOLLOWED BY SHOCK, WIDESPREAD CONFUSION AND NEAR PARA-
LYSIS IN JAPAN'S POLITICAL CIRCLES. THE PRESS HAS REACTED WITH AN
AVALANCHE OF COVERAGE, INDESCRIMINATE AND CONTRADICTORY. THE PRIME
MINISTER HAS CONTINUED TO SAY HE WILL NOT RESIGN TO TAKE RESPON-
SIBILITY FOR TANAKA'S MISDEEDS BUT WILL STAY ON UNTIL THE LOCKHEED
SCANDAL IS COMPLETELY CLEARED UP. THE PRESS AND PUBLIC HAVE HAILED
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THE ARREST AS A TURNING POINT IN JAPANESE POLITICS AND ARE WON-

DERING WHO THE PROSECUTORS WILL ARREST NEXT AND WHEN. END SUMMARY.

1. SOON AFTER THEIR LEADER'S ARREST, TANAKA'S LIEUTENANTS HURRIEDLY CALLED A FACTION MEETING. ALTHOUGH IT ENDED WITH A RESOLUTION THAT THE UNITY OF THE 93 MEMBER FACTION WOULD BE MAINTAINED AT ALL COSTS, JUNIOR FACTION MEMBERS, IN PARTICULAR, ARE WORRIED AND RESTIVE.

2. TANAKA'S CHIEF LDP ALLY, MINFIN OHIRA, WAS VISIBLY SHAKEN BY THE ARREST AND COULD ONLY MUMBLE TO TV MEN HE DIDN'T KNOW WHERE THE LDP COULD BEGIN TO CLEAN ITSELF UP. DEPPRIMIN FUKUDA, TANAKA'S MAIN LDP RIVAL, SAID THAT THE LDP'S SITUATION WOULD BECOME EVEN MORE SERIOUS AS MORE ARRESTS FOLLOWED. LDP VICE PRESIDENT SHIINA, WHO HAS BEEN MOST VOCAL IN CALLING FOR OUSTER OF MIKI AS PRIMIN, SAID THE ARREST MADE THE REFORM OF THE LDP ALL THE MORE URGENT AND ADDED THAT THERE WERE MANY IN THE LDP WHO STILL WANTED MIKI TO RESIGN.

3. OPPOSITION SPOKESMEN GENERALLY CONFINED THEMSELVES AT FIRST TO DEMANDING FURTHER PROBING INTO THE LOCKHEED AFFAIR TILL ALL GUILTY POLITICIANS ARE UNCOVERED. LATER, IN THE UPPER HOUSE SPECIAL LOCKHEED COMMITTEE MTG ON JULY 27-28, THE JSP AND JCP CALLED FOR THE MIKI CABINET TO TAKE RESPONSIBILITY FOR THE AFFAIR AND RESIGN EN MASSE.

JCP CHAIRMAN HASHIMOTO, IN OPENING THE PARTY'S ANNUAL SPECIAL CONVENTION ON JULY 28 REVERSED THAT POSITION, EXPLAINING THAT A CABINET RESIGNATION WOULD HINDER INVESTIGATIONS. THE COMMUNISTS HAVE ALSO BEEN CHARGING IN THE UPPER HOUSE COMMITTEE THAT TANAKA GAVE MUCH OF HIS LOCKHEED MONEY TO HIS MINISTERS AND HAVE SAID THOSE PAYOFFS SHOW THAT LDP POLITICIANS HAVE BEEN BOUGHT BY FOREIGN MONEY.

4. MIKI HAS ATTENDED THE TELEVISED SESSIONS OF THE UPPER HOUSE LOCKHEED COMMITTEE ON BOTH JULY 27 AND 28. IN RESPONSE TO THE DEMANDS FOR MASS RESIGNATION HE HAS ADMITTED THAT THE LDP CANNOT ESCAPE ITS RESPONSIBILITY FOR THE "STRUCTURAL CORRUPTION" OF POLITICAL LIFE BUT THAT HIS GOVERNMENT WOULD NOT RESIGN SINCE ITS FIRST DUTY TO THE PEOPLE WAS TO INVESTIGATE LOCKHEED THOROUGHLY. MIKI SAID THAT MONEY POLITICS MUST BE DESTROYED AND THE LDP RESHAPED. WHEN ASKED IF HE WOULD RESIGN IF ANY OF HIS CABINET MINISTERS WERE ARRESTED, HE SAID THAT EVENTUALITY WOULD BE "INCONCEIVABLE" BUT LATER ADDED THAT IT MIGHT BE CAUSE FOR MASS RESIGNATION.

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CINCPAC FOR POLAD

5. MEDIA REPORTS ON MAN-IN-THE-STREET REACTION TO TANAKA'S ARREST WERE FIRST, OF COURSE, SURPRISE THAT IT HAD COME SO QUICKLY, BEFORE THE ARREST OF LESSER POLITICIANS, FOLLOWED BY OPINION THAT IT WOULD HAVE MAJOR EFFECT ON WHOLE OF JAPANESE POLITICS. LABOR UNION LEADERS TOLD EMBOFFS ON JULY 27 THAT THE ARREST WAS A GREAT SUCCESS FOR JAPANESE DEMOCRACY VERSUS OLD, DIRTY POLITICS. ALL EDITORIALS IN DAILY PRESS HAILED THE ARREST AS A STEP TOWARD CLEANER POLITICS. SOME PAPERS PRAISED PROSECUTORS FOR COURAGEOUS JOB IN NAILING TANAKA AND SAID THEIR FURTHER PROBING TOWARD A THOROUGH CLARIFICATION OF SCANDAL WAS NECESSARY BEFORE JAPANESE POLITICS COULD RETURN TO NORMAL.

6. SOME PRESS REPORTS HAVE RUN SIDEBAR ARTICLES PLAYING UP THE TANAKA
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NIXON MEETING IN HAWAII FROM AUGUST 31 TO SEPTEMBER 1, 1972 WHICH IMMEDIATELY PRECEDED THE ALLEGED LOCKHEED PAYMENTS TO TANAKA. IN ADDITION TOKYO SHIMBUN JULY 28 HAS ARTICLE REPORTING (UNATTRIBUTED) MOFA FEARS THAT THE PASSAGE OF DIRTY MONEY FROM A U.S. COMPANY DIRECTLY INTO JAPANESE POLITICS MAY "CAST SHADOWS" OVER THE US-JAPAN RELATIONSHIP. BY CONTRAST FONOFF OFFICIALS HAVE TOLD EMBOFFS THAT TANAKA ARREST HAS RAISED PUBLIC CONFIDENCE IN US-JAPAN COOPERATION TO GET AT ROOT OF SCANDAL.

7. MEANWHILE, TANAKA IS NOW RUMORED TO HAVE ADMITTED TO HIS INTERROGATORS THAT HE DID RECEIVE THE \$1.7 MILLION FROM MARUBENI CHAIRMAN HIYAMA. THE PROSECUTORS CAN LEGALLY HOLD TANAKA FOR 22 DAYS AFTER WHICH TIME THEY MUST EITHER RELEASE HIM OR INDICT HIM. THE STATUTE OF LIMITATIONS FOR CASES OF FOREIGN EXCHANGE VIOLATIONS AND SIMPLE BRIBE-TAKING IS THREE YEARS, A LIMIT WHICH MEANS THAT IF THEY WISH TO INDICT ON THOSE CHARGES THEY REPORTEDLY HAVE UNTIL ABOUT AUGUST 9 TO DO SO. IF, HOWEVER, THEY CAN CONSTRUCT A CASE FOR THE DIFFERENT, AND MORE SERIOUS CHARGE OF BRIBERY WITH CONSEQUENT MISUSE OF PUBLIC OFFICE, THE STATUTE OF LIMITATIONS WOULD BE TWO YEARS LONGER. THE PROSECUTORS ARE SAID TO BE TRYING FOR THIS TYPE OF CHARGE ,
HOPING THAT THEIR REPORTEDLY FORTHCOMING ARRESTS WILL HELP THEM OBTAIN THE NECESSARY EVIDENCE.

8. COMMENT: A JAPANESE OFFICIAL REMARKED TO AN EMBOFF THAT TANAKA'S ARREST HAS GENERATED THE BIGGEST HEADLINES HE HAS SEEN SINCE WAR WAS DECLARED THIRTY-FIVE YEARS AGO. THE JAPANESE PRESS HAS GONE ON A BINGE OF HYPERACTIVITY; RUMORS ARE RIFE, CONFUSED AND CONTRADICTORY.

9. WHAT HAPPENS NEXT CLEARLY DEPENDS MAINLY WHAT THE PROSECUTORS DO NEXT. ONLY A HANDFUL OF PEOPLE KNOW WHAT THAT WILL BE AND THEY ARE SIMPLY NOT TALKING.
SHOESMITH

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Message Attributes

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